Selling of cereals by middlemen in open market

†301. SHRIMATI PREMA CARIAPPA:
SHRI MOTILAL VORA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government's attention has been drawn to that report of **CAG** of India according to which the middlemen sold off 44.lakh tonnes of cereals in the open market between 2001 to 2005;

(b) if so, the steps taken by Government to identify the culprits and to punish them; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir. Scrutiny of records in States/UTs by CAG of India in its report no. 16 of 2006 has revealed that a diversion of a total quantity of 44.04 lakh MT of foodgrains meant for distribution under TPDS in the States of Assam, Chhattisgarh, Gujarat, Jammu & Kashmir, Karnataka, Kerala, Maharashtra, Meghalaya, Nagaland and West Bengal has taken place during 2000-2005.

(b) Under PDS, the responsibility for distribution of foodgrains and other goods through PDS outlets in a transparent and efficient manner, lies with the respective State Governments. The Public Distribution System (Control) Order, 2001 was issued by the Government, in order to streamline the functioning of the PDS and to make the same more effective and accountable. Any offence committed in violation of the provisions of the Order invokes criminal liability under section 7 of the Essential Commodities Act, 1955.

All the State Governments and UT Administrations have been requested to take necessary action on the CAG report and instructed to take immediate necessary corrective steps to ensure the smooth functioning ofTPDS.

(c) Does not arise.

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† Original notice of the question was received in Hindi.